

~~SECRET~~

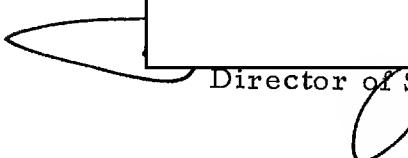
11 FEB 1969

MEMORANDUM FOR: Legislative Counsel

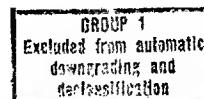
SUBJECT : Pending Legislation, S. 416

1. Your attention is called to the attached bill which has been reviewed by this Office. It is noted that no exception is made for classified agencies under the terms of this legislation and, therefore, it is believed that the passage of such a bill would represent a risk to the security of the Agency's ADP operations.
2. It is requested that your Office follow closely the progress of this legislation.

25X1A

  
  
Director of Security

Attachment



BB Six  
O.K.  
SEE

91ST CONGRESS  
1ST SESSION

# S. 416

*CIA could not  
protect itself under  
this Bill -  
RDU 1-30-69*

IN THE SENATE OF THE UNITED STATES

JANUARY 21 (legislative day, JANUARY 10), 1969

Mr. MONTOYA introduced the following bill; which was read twice and referred to the Committee on Government Operations

---

## A BILL

For the establishment of a board to review proposed procurements of automatic data processing equipment.

1       *Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

3                   ESTABLISHMENT OF THE BOARD

4        SECTION 1. There is hereby established an independent  
5       advisory board to be known as the Board on the Procurement  
6       of Automatic Data Processing Equipment (hereinafter  
7       referred to as the "Board").

8                   MEMBERSHIP OF THE BOARD

9        SEC. 2. (a) The Board shall consist of five members  
10      from private life appointed by the President, with the advice  
11      and consent of the Senate. Two of the members shall be

II

1 appointed from persons recommended by the Speaker of the  
2 House of Representatives, and two of the members shall be  
3 appointed from persons recommended by the President pro  
4 tempore of the Senate.

5 (b) The original five members of the Board shall serve  
6 for the following terms: The member selected by the Presi-  
7 dent alone shall serve for two years; one of the members  
8 recommended by the Speaker of the House of Representa-  
9 tives shall serve for three years, and the other shall serve  
10 for five years; and one of the members recommended by the  
11 President pro tempore of the Senate shall serve for three  
12 years, and the other shall serve for five years. All subsequent  
13 appointments shall be for a term of five years. Any vacancy  
14 on the Board shall not affect its powers but shall be filled, for  
15 the remainder of the term, in the same manner as the origi-  
16 nal appointment.

17 (c) The Board shall select a Chairman and a Vice  
18 Chairman from among its members who shall serve for one  
19 year. The offices of Chairman and Vice Chairman shall be  
20 rotated among the membership.

21 (d) Service by an individual as a member of the Board  
22 shall not, for purposes of any other law of the United States,  
23 be considered as service as an officer or employee of the  
24 United States.

25 (e) A member of the Board may be removed at any

1 time by the President when the President determines after  
2 notice and hearing that the member has become permanently  
3 incapacitated or has been inefficient, or guilty of neglect of  
4 duty, or of malfeasance in office, or of any felony or conduct  
5 involving moral turpitude, and for no other cause and in no  
6 other manner except by impeachment.

7 SUBMISSION OF PROPOSED PROCUREMENTS TO THE BOARD

8 SEC. 3. (a) All executive agencies and departments of  
9 the Government, the District of Columbia government, in-  
10 dependent boards and commissions and Government cor-  
11 porations shall, upon making a selection of source from  
12 which automatic data processing equipment is to be pro-  
13 cured, submit to the Board its proposal for such procure-  
14 ment. No contract for such procurement shall be executed  
15 by the submitting agency until it has received the findings  
16 and recommendations made by the Board under section 4  
17 of this Act.

18 (b) Agencies of the judicial and legislative branches  
19 of the Government may submit to the Board for its review  
20 proposed procurements of automatic data processing equip-  
21 ment.

22 FUNCTIONS OF THE BOARD

23 SEC. 4. It shall be the function of the Board to:

24 (a) Review from time to time the need for and the

1 utilization of automatic data processing equipment and sys-  
2 tems by the organizations referred to in section 3 (a) ;  
3 (b) Review each proposed procurement of such equip-  
4 ment or system submitted by any organization referred to in  
5 section 3 and make appropriate findings relating thereto,  
6 taking into account—  
7 (1) The proposed source of the procurement,  
8 (2) The application or utilization contemplated for  
9 the equipment,  
10 (3) The equipment's adaptability to the function  
11 or functions to be performed,  
12 (4) The costs, including repair, maintenance, and  
13 replacement costs, of the equipment,  
14 (5) The service life of the equipment,  
15 (6) The engineering aspects of the equipment,  
16 (7) The equipment's compatibility with other  
17 automatic data processing systems, and  
18 (8) Such other factors as will assist the Board in  
19 its review of the procurement; and  
20 (c) Advise the submitting agency of its findings and  
21 recommendations on the proposed procurement.

22 POWERS OF THE BOARD

23 SEC. 5. (a) In order to carry out its functions under  
24 this section the Board shall have access to and the right  
25 to examine any books, documents, papers, or records per-

1 taining to proposed procurements including such books, docu-  
2 ments, papers, or records as might relate to classified systems  
3 and such books, documents, papers, or records of contrac-  
4 tors, or any subcontractors, that directly pertain to, and  
5 involve transactions relating to, the proposed contract or  
6 subcontract.

7 (b) The Board is authorized to secure directly from  
8 any executive department, bureau, agency, board, commis-  
9 sion, office, independent establishment, or instrumentality  
10 information, suggestions, estimates, and statistics for the pur-  
11 pose of this Act; and each such department, bureau, agency,  
12 board, commission, office, establishment, or instrumentality  
13 is authorized and directed to furnish such information, sug-  
14 gestions, estimates, and statistics directly to the Board upon  
15 request made by the Chairman. If requested by the head  
16 of the assisting agency, such assistance shall be on a reim-  
17 bursable basis.

18 **COMPENSATION AND EXPENSES OF MEMBERS OF THE BOARD**

19 SEC. 6. Each member of the Board shall be entitled  
20 to receive \$ for each day such member is engaged  
21 in the actual performance of duties vested in the Board,  
22 in addition to necessary travel expenses (or in the alterna-  
23 tive, mileage for use of his privately owned vehicle and a  
24 per diem in lieu of subsistence not to exceed the rates pre-

1 scribed in sections 5704 and 5702, respectively, of title 5,  
2 United States Code), and other necessary expenses incurred  
3 by him in the performance of duties vested in the Board,  
4 without regard to the provisions of subchapter I of chapter  
5 57 of title 5, United States Code, the Standardized Govern-  
6 ment Travel Regulations, or section 5731 of such title.

7 **STAFF OF THE BOARD**

8 SEC. 7. The Board shall have power to appoint an  
9 Executive Director whose basic pay shall be at the rate  
10 prescribed for level IV of the Executive Schedule under  
11 section 5315 of title 5, United States Code.

12 (b) The Board may employ such employees as may  
13 be necessary to carry out its functions in accordance with  
14 the provisions of title 5, United States Code, governing  
15 appointments in the competitive service, and to compensate  
16 such employees in accordance with the provisions of chapter  
17 51 and subchapter III of chapter 53 of such title relating  
18 to classification and General Schedule pay rates.

19 (c) The Board may procure temporary and intermit-  
20 tent services of experts and consultants in accordance with  
21 section 3109 of title 5, United States Code, but at rates  
22 not to exceed \$150 per diem for individuals in addition  
23 to reimbursement for travel, subsistence, and other necessary  
24 expenses in accordance with the provisions of section 6 of  
25 this Act.

1       (d) Previous service in the uniformed services or in the  
2       Federal civil service shall not preclude employment or  
3       appointment under this section and any retired officer,  
4       enlisted man, or employee employed or appointed under  
5       this section may receive the full salary of the position to  
6       which appointed in addition to the full retirement pay to  
7       which he is otherwise entitled.

## 8 APPROPRIATIONS

9 SEC. 8. There are hereby authorized to be appropriated  
10 to the Board such sums as may be required to carry out  
11 the provisions of this Act.

12 EFFECTIVE DATE

13 SEC. 9. This Act shall take effect upon the date of  
14 enactment thereof, except that the provisions of section 3  
15 thereof shall take effect on the first day of the fourth month  
16 beginning after the date of enactment of this Act.

91<sup>ST</sup> CONGRESS  
1<sup>ST</sup> SESSION  
**S. 416**

**A BILL**

For the establishment of a board to review proposed procurements of automatic data processing equipment.

By Mr. Montoya

JANUARY 21 (legislative day, JANUARY 10), 1969

Read twice and referred to the Committee on Government Operations

OLC 69-0117

UNCLASSIFIED  INTERNAL  
Approved For Release 2002/05/06 : CIA-RDP71B00364R000500020015-5  CONFIDENTIAL  SECRET

## ROUTING AND RECORD SHEET

SUBJECT: (Optional)

Pending Legislation, S. 416

25X1  
FROM:

Director of Security  
Rm. 4E-60

EXTENSION

NO.

DATE

TO: (Officer designation, room number, and building)

DATE

OFFICER'S INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

1. Office of Legislative  
Counsel Rm. 7D-43

RECEIVED

FORWARDED

*h*

*WATC* *h*  
*fd*

2.

*LM*

3.

4.

5.

6.

7.

8.

9.

10.

11.

12.

13.

14.

15.

25X1

25X1

Approved For Release 2002/05/06 : CIA-RDP71B00364R000500020015-5

FORM  
3-62

610 USE PREVIOUS  
EDITIONS

SECRET

CONFIDENTIAL

INTERNAL  
USE ONLY

UNCLASSIFIED